

For KCC Use: 8-17-08
Effective Date: _____
District # _____
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
October 2007
Form must be Typed
Form must be Signed
All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: August 20 2008
month day year

OPERATOR: License# 33392
Name: Keith F. Walker Oil & Gas Company, LLC
Address 1: 103 West Boyd Street
Address 2: _____
City: Norman State: OK Zip: 73069 + _____
Contact Person: Alan L. Stacy
Phone: 405-701.0676
CONTRACTOR: License# 34000
Name: Kenai Mid Continent

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic; _____ # of Holes Other: _____
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable
 If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____
Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Spot Description: _____
E/2 - E/2 - NE - SE Sec. 20 Twp. 31 S. R. 30 E W
(0000) 1,980 feet from N / S Line of Section
100 feet from E / W Line of Section
Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)
County: Meade
Lease Name: Cartwright Well #: 20 #1
Field Name: _____
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Chester
Nearest Lease or unit boundary line (in footage): 660'
Ground Surface Elevation: est 2761 feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No
Depth to bottom of fresh water: 500
Depth to bottom of usable water: 500
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 1700'
Length of Conductor Pipe (if any): _____
Projected Total Depth: 5900'
Formation at Total Depth: Chester
Water Source for Drilling Operations: Well Farm Pond Other: _____
DWR Permit #: Applying for permit
(Note: Apply for Permit with DWR
Will Cores be taken? Yes No
If Yes, proposed zone: _____

Declaration of unitization attached

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:

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1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date.
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 8-8-08 Signature of Operator or Agent: [Signature] Title: Engineer Tech

For KCC Use ONLY
API # 15 - 119-21217-0000
Conductor pipe required None feet
Minimum surface pipe required 520 feet per ALT. I II
Approved by: [Signature]
This authorization expires: 8-12-09
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: _____ Agent: _____

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired Date: _____
Signature of Operator or Agent: _____

20
31
30
 E
 W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 119-21217-0000
Operator: Keith F. Walker Oil & Gas Company, LLC
Lease: Cartwright
Well Number: 20 #1
Field: _____

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: E/2 - E/2 - NE - SE

Location of Well: County: Meade
1,980 feet from N / S Line of Section
100 feet from E / W Line of Section
Sec. 20 Twp. 31 S. R. 30 E W

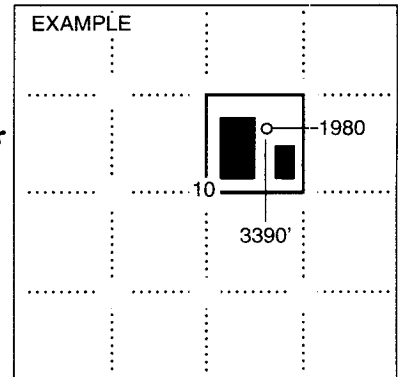
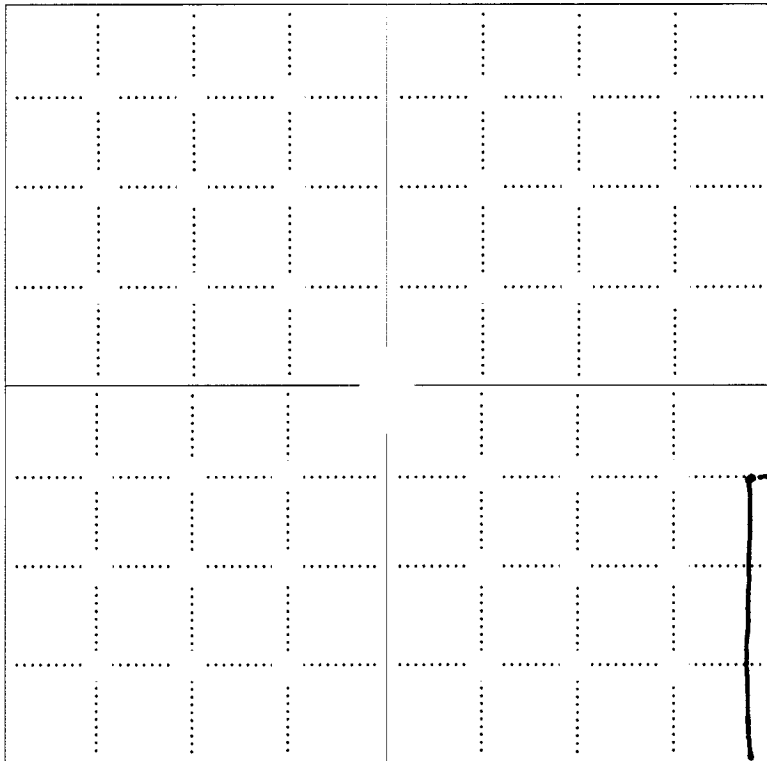
Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)*



SEWARD CO.

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NOTE: In all cases locate the spot of the proposed drilling location.

1980'


In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Keith F. Walker Oil & Gas Company, LLC		License Number: 33392	
Operator Address: 103 West Boyd Street		Norman OK 73069	
Contact Person: Alan L. Stacy		Phone Number: 405-701.0676	
Lease Name & Well No.: Cartwright 20 #1		Pit Location (QQQQ): E/2 E/2 NE SE	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 12,000 (bbbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
How is the pit lined if a plastic liner is not used? Compaction			
Pit dimensions (all but working pits): <u>125</u> Length (feet) <u>125</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>5</u> (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit <u>1978</u> feet Depth of water well <u>400</u> feet		Depth to shallowest fresh water <u>213</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: <u>Fresh water mud</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Evaporate & backfill</u> Drill pits must be closed within 365 days of spud date.	
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.			
<u>8-8-08</u> Date		RECEIVED KANSAS CORPORATION COMMISSION AUG 11 2008 CONSERVATION DIVISION WICHITA, KS	
Signature of Applicant or Agent: 			
KCC OFFICE USE ONLY Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>			
Date Received: <u>8/11/08</u> Permit Number: _____ Permit Date: <u>8/11/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-119-217-0000

15-119-21217-0000

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, KEITH F. WALKER OIL & GAS CO., L.L.C. is the owner of record of the oil and gas leases described in Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, the described leases grant to the Lessee, its heirs, administrators, trustees and assigns, the right and privilege to consolidate said gas leasehold with any other adjacent or contiguous gas leasehold estates to form a consolidated gas leasehold estate and the Lessor's gas royalty estate created by the leases so as to create by combination of one or more consolidated gas leasehold estates of Six Hundred and Forty (640) acres each; and

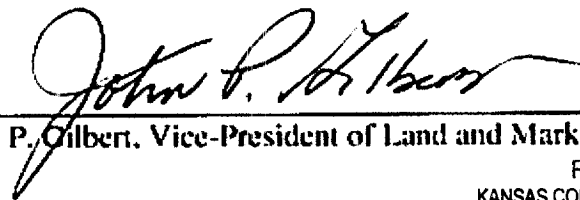
WHEREAS, the undersigned desires to exercise the consolidation and unitization rights granted to it under each of the leases herein specifically described.

NOW, THEREFORE, the undersigned, present owner of all of the right, title and interest of the original Lessee in, to and under the leases described in Exhibit A, pursuant to consolidation and unitization provisions of said oil and gas leases, does hereby designate and describe the following lands as a consolidated gas leasehold estate for the purpose of exploration, development and production of gas:

Township 31 South, Range 30 West, 6th P.M.:
Section 20: S/2
Section 21: SW/4
Section 29: NW/4
Meade County, Kansas

Executed the 27th day of June, 2007, but EFFECTIVE as of January 11, 2007.

KEITH F. WALKER OIL & GAS COMPANY, L.L.C.



John P. Gilbert, Vice-President of Land and Marketing

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STATE OF OKLAHOMA)
) §
COUNTY OF CLEVELAND)

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BEFORE ME, the undersigned authority, on this day personally appeared John P. Gilbert, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the Vice-President of Land and Marketing of Keith F. Walker Oil & Gas Company, L.L.C. and acknowledged to me that she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER my hand and seal of office this 27 day of June, 2007.

My Commission Expires: 11.10.09


Notary Public: Rebecca A. Casey

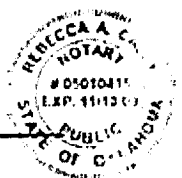


EXHIBIT "A"
 Attached to and Made a Part of That Certain
 Declaration of Unitization
 Dated June 27, 2007, Effective January 11, 2007

STATE OF Kansas
 COUNTY OF Meade

Lease No.	Lease Name	Lessee	Lease Date	Recorded Bk / Pg	Legal Description
P0027002	Josephine A Fredendall and Cecil D Fredendall her	J Fred Hambright Inc	10-Aug-05	109 / 657	INSOFAR AND ONLY INSOFAR AS SAID LE COVERS AND AFFECTS Sec 20, T31S-R30W 6P Tr:1 SE/4 (160 gr ac) Sec 21, T31S-R30W 6P Tr:2 SW/4 (160 gr ac)
P0027003	Edward Amerin Jr et ux; Benjamin Joseph Amerin	J Fred Hambright Inc	03-Oct-05	110 / 72	Sec 20, T31S-R30W 6P Tr:3 SW/4 (160 gr ac)
P0027006	Jeffrey Kyle Torline Minors Trust by Trustee	J Fred Hambright Inc	10-Dec-05	110 / 252	INSOFAR AND ONLY INSOFAR AS SAID LE COVERS AND AFFECTS Sec 29, T31S-R30W 6P Tr:2 NW/4 (160 gr ac)

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